

# **ATA IMS BERHAD (198901012846)**

## **Directors' Fit and Proper Policy**

### **1. Background**

ATA IMS BERHAD (the "Company") has adopted the Directors' Fit and Proper Policy for the appointment and re-election of directors of the Company and its subsidiaries in complying with the requirement of Paragraph 15.01A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR").

### **2. Objective**

This Fit and Proper Policy serve to guide the Nominating and Remuneration Committee ("NRC") and the Board of Directors (the "Board") in their review and assessment of candidates that are to be appointed onto the board as well as directors who are seeking for re-election.

### **3. Fit and proper criteria**

The Company adopted the three high-level considerations that underpin a Fit and Proper Policy for directors as below:

#### **a) Character and integrity**

##### **(i) Probity**

- is compliant with legal obligations, regulatory requirements and professional standards; and
- has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court of law.

**(ii) Personal integrity**

- has not perpetrated or participated in any business practices which are deceitful, oppressive, improper (whether unlawful or not), or which otherwise reflect discredit on his professional conduct;
- service contract (i.e. in the capacity of management or Director) had not been terminated in the past due to concerns on personal integrity;
- has not abused other positions (i.e. political appointment) to facilitate government relations for the company in a manner that contravenes the principles of good governance;
- possess the aptitude or experience to understand fully the legal responsibilities and duties of a director of a public listed company and the governance processes of a public listed company;
- have demonstrated notable achievements in board and electronics manufacturing industry, business venture, professional practices, education or public service;
- possess knowledge, skills and experience to complement and strengthen the knowledge, skills and experience possessed by existing members of the Board to discharge its duties and responsibilities effectively and efficiently;
- possess personal qualities to be able to make a substantial active contribution to Board deliberations, including intelligence and wisdom, self-assuredness, interpersonal and communication skills, courage and inquisitiveness;
- have the highest ethical standards, a strong sense of professionalism and intense dedication to serving the interests of the stakeholders; and
- has high level of integrity and adverse to bribery and corruption.

**(iii) Financial integrity**

- manages personal debts or financial affairs satisfactorily; and
- demonstrates ability to fulfil personal financial obligations as and when they fall due.

**(iv) Reputation**

- is of good repute in the financial and business community;
- has not been the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past 10 years; and
- has not been substantially involved in the management of a business or company which has failed, where that failure has been occasioned in part by deficiencies in that management.

**b) Experience and competence**

**(i) Qualifications, training and skills**

- possesses education qualification that is relevant to the skill set that the Director is earmarked to bring to bear onto the boardroom (i.e. a match to the board skill set matrix);
- has a considerable understanding on the business and workings of a corporation;
- possesses general management skills as well as understanding of corporate governance and sustainability issues;
- keeps knowledge current based on continuous professional development; and
- possesses leadership capabilities and a high level of emotional intelligence.

**(ii) Relevant experience and expertise**

- Possesses relevant experience and expertise with due consideration given to past length of service, nature and size of business, responsibilities held, number of subordinates as well as reporting lines and delegated authorities;
- In particular, individuals who are nominated and selected by the Board to be a director should include, at a minimum:
  - a current senior executive within the Group with at least 15 years experiences in electronics manufacturing industry;
  - a past or current partner/senior executive in recognised professional accounting/ consulting/advisory/legal firm or entity;

- a past or current senior executive in a public company or recognized privately held entity;
- a past or current senior government servant; or
- a past or current senior executive at a prominent educational institution or senior faculty position in an area of study important or relevant to the Company.

**(iii) Relevant past performance or track record**

- had a career of occupying a high-level position in a comparable organisation, and was accountable for driving or leading the organisation's governance, business performance or operations; and
- possesses commendable past performance record as gathered from the results of the board effectiveness evaluation.

**c) Time and commitment**

**(i) Ability to discharge role having regard to other commitments**

- able to devote time as a board member, having factored other outside obligations including concurrent board positions held by the Director across listed issuers and non-listed entities (including not-for-profit organisations).

**(ii) Participation and contribution in the board or track record**

- demonstrates willingness to participate actively in board activities;
- demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate in events outside the boardroom;
- manifests passion in the vocation of a Director;
- exhibits ability to articulate views independently, objectively and constructively; and
- exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others.

#### **4. Assessment**

The Company is obliged to conduct assessment on the fitness and properness of each director individually as well as collectively, taking into account their relative importance, within the scope of this Policy for new appointment and re-election and the results of the assessment are part of the Company's internal documents and shall not be disclosed to other party.

Assessment shall be conducted at regular intervals or at least annually or whenever the need arises.

The assessment shall be exercised objectively in the best interests of the shareholders and the conduct of the Company's business.

#### **5. Review**

This Policy is subject to be reviewed periodically by the Board and be revised at any time as it may deem necessary in accordance with the requirements of the Company, update on (MMLR) and/or any other applicable laws that in enforce at the time being.

This policy was approved and adopted by the Board on 30th May 2022.